



Docket No. 48347-013

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320

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

In re Application of

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Olaf Vancura

Serial No. 09/875,753

Group Art Unit: 3711

Filed: June 6, 2001

Examiner: W. Pierce

#18

7/18/03  
Bloss

For: KNOWLEDGE-BASED CASINO GAME AND METHOD THEREFOR

**REPLY BRIEF**

Mail Stop Reply Brief  
Commissioner for Patents  
P.O. Box 1450  
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Sir:

This Reply Brief is submitted in response to the Examiner's Answer mailed May 16, 2003.

**ARGUMENTS**

Appellant submits that each rejection imposed by the Examiner is not viable and solicits the Honorable Board to reverse each of the rejections for the reasons set for the Appeal Brief submitted February 24, 2003 and for the reasons set forth herein.

### **The Issues**

Prior to addressing each rejection, it is helpful to focus upon the issues, despite the underbrush created by the Examiner's legally erroneous claim interpretation and assumptions. The rejections under 35 U.S.C. §112 are based upon the Examiner's refusal to recognize that the claim expression "in combination" means that the claimed method comprises playing a casino game by sequentially playing a game of chance followed by a knowledge-based bonus game. The Examiner professes confusion as to how the games are "combined", but understands from the disclosure that the "...games are actually played sequentially rather than 'in combination' or simultaneously" (ultimate sentence on page 10 of his Answer). Presumably, one having ordinary skill in the art would not understand what the Examiner finds apparent.

The prior art rejections admit the applied references are mute as to the claim limitation "...the combined knowledge-based bonus game with the underlying game of chance having a house advantage within a predetermined range." Having no facts, the Examiner retreats to inherency. But inherency also requires facts. So the Examiner says casino games always have a house advantage otherwise they could not operate. Therefore, the games disclosed in the reference, which have not been shown to be profitable casino games, have a house advantage. The Examiner then accuses Appellant of feigning ignorance as to the conventionality of a house advantage-something Appellant has not done. Appellant agrees that casino games of chance have a house advantage. But what does that have to do with the claimed invention involving a house advantage within predetermined limits for a combined knowledge-based game and game of chance?

The Examiner ignores the following facts:

- (1) the claimed invention provides a house advantage within a predetermined range for a combined knowledge-based game and game of chance;
- (2) the applied references are conspicuously mute as to any house advantage, certainly not within a predetermined range, much less associated with a knowledge-based game let alone one combined with a game of chance; and
- (3) the Examiner's conventional house advantage enjoyed by casinos has not been shown to involve a predetermined range or relate to a knowledge-based game, let alone combined with a game of chance.

The Examiner improperly attempts to extrapolate the known house advantage enjoyed by casinos to the particular games in the applied references. But there is no factual basis to support such extrapolation to a combined game of chance and knowledge-based game and ignore the claim requirement for a predetermined range. Further, any such extrapolation is based upon the legally impermissible **assumption** that the **particular** games disclosed in the applied references are, **in fact**, profitable casino games.

The Examiner proffers no factual evidence to show that the problem of a perfect knowledge player who can bankrupt the house has ever been addressed by a house advantage, let alone within a predetermined range which also accommodates the guessing player, as in the present invention. The Examiner generalizes too much while paying little attention to the actual references he has applied. The Examiner's Answer is long on words but short on facts- sound and fury backed by nothing.

The present invention provides an elegantly clean solution to the problem of the knowledgeable player. The present invention does not rely upon paying a fee as in the reference to Keller, or upon some weird communication between machines to attempt avoidance of the same question from appearing over again as suggested by Walker, or upon a super-large database or a database that changes with time or upon machines that modify odds or payoffs, as in the British references. The present invention does not require casino personnel to monitor players as in blackjack or as suggested by the Scarne reference. Rather, the sophisticated solution provided by the present invention is a self-contained machine that conforms to U.S. regulations requiring random events and, aside from routine slot machine maintenance, does not require any oversight and/or proactive instrumentation. The claimed invention is elegantly clean and encourages players with limited knowledge while protecting the house against the perfect knowledge player.

### **The Rejections**

#### **1. The Rejection Under the first paragraph of 35 U.S.C. §112.**

The Examiner clarified that the imposed rejection under the first paragraph of 35 U.S.C. §112 is predicated both on lack of adequate descriptive support and lack of adequate enabling support. As articulated by the Examiner in the paragraph bridging pages 3 and 4 of his Answer, the rejection focuses upon the language:

.... playing a knowledge-based bonus game using answers from a player in combination with the underlying game of chance..... (Examiner's emphasis).

The Examiner's rejection, in his words is based upon "... this limitation is taken literally..." (page 4 of the paragraph bridging pages 3 and 4 of the Answer). The Examiner says, in that paragraph:

....nowhere in the specification is it set forth where the answers are "used" in any way "with "the game of chance".

In that same paragraph bridging pages 3 and 4 of the Answer, the Examiner also has somehow determined:

...that the game is not play (sic, played) in "combination" which implies the games are played simultaneously...

The Examiner ignores the expressed claim language linking the answers to the knowledge-based game- which is not particularly intellectually challenging- and contends that the specification does not disclose how the answers can used "in combination" with a game of chance and does not enable one skilled in the art to do so. Thus, the Examiner would have the Honorable Board believe that one having ordinary skill in the art would have reasonably interpreted the claimed invention as somehow requiring the use of answers from the knowledge-based bonus game in the game of chance.

The Examiner's position is inconsistent with the expressed claim language, written description of the specification and his own interpretation in the ultimate paragraph on page 10 of the Answer wherein the Examiner stated:

Interpreting the claims in light of the specification, one can see that a player will first play the game of chance and then will play the knowledge-based bonus game. The games are actually being played separately...these games are actually played sequentially rather than "in combination" or simultaneously.

Not simultaneously, but separately. In combination because, as the Examiner agrees, a player will first play the game of chance and then will play the knowledge-based bonus game. The Examiner's apparent inconsistent positions make little sense.

As set forth in the February 24, 2003 Appeal Brief, independent claim 1 is directed to a method for playing a casino game. A casino game. Not two separate unrelated games, but a casino game. The method of playing that casino game comprises a sequence of manipulative steps. As the Examiner agrees, one of the steps is playing an underlying game of chance. Then, the player plays a knowledge-based bonus game during which the player answers questions. These two games, i.e., the underlying game of chance and the knowledge-based bonus game, are played "**in combination**" because they are part of a single casino game, and the house advantage within a predetermined range links the two games. Hence, the claim expressions "in combination" and "the combined knowledge-based bonus game with the underlying game of chance having a house advantage within a predetermined range."

The Examiner looks for some way to use an answer from the knowledge-based bonus game in combination with the underlying game of chance. But that is not what is being claimed and the Examiner knows that.

### **Descriptive Support**

As far as descriptive support is concerned, Appellant would again refer to Fig. 2 and the related discussion thereof in the written description of the specification, notably steps 222 and 224 and the discussion at page 38, line 25 through page 29, line 19.

The bottom line is that the Examiner has **misinterpreted** the claimed invention to somehow require the answers offered in response to questions in the knowledge-based bonus game to be physically linked to the underlying game of chance. However, the "in combination" aspect of claim 1 links the underlying game of chance to the knowledge-base bonus game because they are part of the same "casino game" and because the house advantage within a predetermined range is based upon "the combined knowledge-based bonus game with the underlying game of chance" as expressly stated in claim 1. That claimed method finds adequate descriptive support throughout the written description of the specification, as pointed out in the February 24, 2003 Appeal Brief, noting, for example, page 4 of the written description of the specification, lines 1 through 24, as well as, again, Fig. 2 and the related discussion thereof in the written description of the specification.

Appellant notes the Examiner's reliance upon *In re Berg*, 65 USPQ2d 2003 (Fed. Cir. 2003). *In re Berg*, *supra*, of course does not relieve the Examiner of his initial burden to establish a prima facie basis to deny patentability to a claimed invention under any statutory provision. *In re Mayne*, 104 F.3d 1339, 41 USPQ2d 1451 (Fed. Cir. 1997); *In re Deuel*, 51 F.3d 1552, 34 USPQ2d 1210 (Fed. Cir. 1995). He has not.

Further, how the Examiner can say Appellant did not point to any factual or legal errors committed by the Examiner in the Appeal Brief submitted February 24, 2003 defies logic and suggests retreat to a mental bunker impervious to facts, reason or law. For reasons advocated in the Appeal Brief of February 24, 2003 and set forth herein, Appellant submits that one having ordinary skill in the art would have recognized from

the originally filed disclosure that Appellant invented the now claimed subject matter. *In re Wertheim*, 541 F.2d 257, 191 USPQ 90 (CCPA 1976).

### **Enablement**

The Examiner does not deny the legal presumption of enablement. *In re Brana*, 51 F.3d 1560, 34 USPQ2d 1436 (Fed. Cir. 1995); *In re Marzocchi*, 439 F.2d 220, 169 USPQ 367 (CCPA 1971). There is no question that given the guidance of the present disclosure, one having ordinary skill in the art would have been able to derive the house advantage of the claimed invention.

Rather, the Examiner's rejection is based upon the clearly erroneous interpretation of the claimed inventions to require some physical linkage between the answers to the knowledge-based bonus game and the underlying game of chance. The Examiner concludes that the specification does not enable one having ordinary skill in the art to combine the answers from the knowledge-based bonus game with the underlying game of chance. Having so misinterpreted the claimed invention, the Examiner finds it easy to conclude that what is not actually claimed is not enabled.

As previously argued, the method defined in independent claim 1, for example, relates to "playing a casino game." It is a single casino game which comprises two sequentially played games. One is an underlying game of chance. The second is a knowledge-based bonus game wherein the player answers questions. The underlying game of chance and the knowledge-based bonus game are played "in combination" because they are part of the same "casino game" and because "the combined knowledge-based bonus game with the underlying game of chance" has "a house advantage within a



predetermined range." It is not apparent and the Examiner has not explained why one having ordinary skill in the art would not have been able to play the casino game which is being claimed.

Rather, the Examiner misinterprets the claimed invention and says the misinterpreted invention is not enabled. One having ordinary skill in the art would not have interpreted the claimed invention to require using the answers to the knowledge-based game in the game of chance and then scratched his head wondering how to accomplish that feat. Rather, one having ordinary skill in the art would have interpreted the claimed invention in light of the written description of the specification to require the game of chance and knowledge-based game to be played sequentially, as the Examiner did (ultimate sentence on page 10 of the Answer).

Appellant, therefore, submits that the Examiner has not overcome the legal presumption that the claims are enabled. *In re Brana, supra*; *In re Marzocchi, supra*. Moreover, given the guidance in the disclosure one having ordinary skill in the art would have no difficulty implementing the claimed method without undue experimentation. *In re Brana, supra*; *In re Marzocchi, supra*.

### **Conclusion**

Based upon the foregoing, and for the reasons set forth in the Appeal Brief submitted February 24, 2003, Appellant submits that the Examiner's rejection under the first paragraph of 35 U.S.C. §112 for lack of adequate descriptive support and lack of adequate enabling support is factually and legally erroneous.

## **2. The Rejection Under the Second Paragraph of 35 U.S.C. §112**

The gravamen of the Examiner's rejection is set forth in the second sentence of the paragraph bridging pages 15 and 16 of the Answer and reads as follows:

One can not determine what physical steps are required by something that is "in combination."

Thus, it is the "in combination" language that underpins the rejection under the second paragraph of 35 U.S.C. §112 as well as the previously traversed rejection under the first paragraph of 35 U.S.C. §112. The Examiner again expresses confusion as to what physical steps are required to link the answers to the knowledge-based bonus game with the underlying game of chance. The imposed rejection is predicated upon a clearly legally erroneous interpretation of the claimed invention to require physical steps linking the answers to the knowledge-based bonus game with the underlying game of chance.

As previously argued, the only reasonable interpretation of the invention defined in, for example, independent claim 1, and how one having ordinary skill in the art would have reasonably interpreted independent claim 1 in light of and consistent with the written description of the specification, is that it is directed to a method of playing a single casino game, which single casino game involves initially playing an underlying game of chance and then playing a knowledge-based bonus game requiring answers to questions. The underlying game of chance and the knowledge-base bonus game are played "in combination" because they are part of the same "casino game" and because as expressly set forth in claim 1, "...the combined knowledge-base bonus game with the underlying game of chance having a house advantage within a predetermined range". Appellant submits that one having ordinary skill in the art would have no difficulty ascertaining the scope of the claimed method when reasonably interpreted in light of and

consistent with the written description of the specification. *Miles Laboratories, Inc. v. Shandon, Inc.*, 997 F.2d 870, 27 USPQ2d 1123 (Fed. Cir. 1993).

Accordingly, for the reasons set forth above, and for the reasons set forth in the Appeal Brief submitted February 24, 2003, Appellant submits that the imposed rejection under the second paragraph of 35 U.S.C. §112 is clearly legally erroneous.

**3. The Rejection of claims 1, 3 and 18 under 35 U.S.C. §102 for lack of novelty as evidenced by each of Keller and Evans.**

The Examiner failed to, and cannot, specifically identify wherein either of the allegedly anticipatory references to Keller or Evans discloses or remotely suggests a method wherein "the combined knowledge-based game with the underlying game of chance having a house advantage within a predetermined range" as specified in independent claim 1, for example. The Examiner says a house advantage is inherent because casinos make money and casino games must have a house advantage (if they are profitable). But the claim limitation is not for a house advantage in the **abstract**. The claim limitation is "the combined knowledge-based bonus game with the underlying game of chance having a house advantage within a predetermined range."

The Examiner says the particular house advantage of the claimed invention is inherent in the particular applied references because house advantages in general are notorious and accuses Appellant of feigning "ignorance with respect to the notorious nature of house percentage and its play in the design of the casino games" (ultimate paragraph on page 16 of the answer). Appellant never denied that profitable casino gambling games have a house advantage. Of course there are house odds in profitable

gambling games. Otherwise, there would be no casinos in Las Vegas. There would be no profitable slot machines anywhere in the world. However, as previously pointed out, the Examiner's attempt to extrapolate the known house percentage associated with a profitable casino game of chance to the **particular** games disclosed in the actually applied references is devoid of facts and relies upon assumptions. Neither of the applied references discloses a method of playing a casino game as claimed wherein an underlying game of chance is initially played followed by a knowledge-based bonus game, wherein "the combined the knowledge-base bonus game with the underlying game of chance having a house advantage within a predetermined range." The Examiner offers no facts to show prior casino house advantages are within a predetermined range or associated with a knowledge-based game let alone a combined knowledge-based game and game of chance.

Moreover, the Examiner engaged in a **legally impermissible assumption** that the games disclosed by Keller and Evans are, **in fact**, profitable casino games and, therefore, must have a house advantage. This assumption constitutes clear legal error. Inherency requires certainty-inevitably, not assumption or speculation. *Glaxo Inc. v. Novopharm Ltd.*, 52 F.3d 1043, 34 USPQ2d 1565 (Fed. Cir. 1995); *In re Rijckaert*, 9 F.3d 1531, 28 USPQ2d 1955 (Fed. Cir. 1993) *Continental Can Co. USA, Inc. v. Monsanto Co.*, 948 F.2d 1264, 20 USPQ2d 1746 (Fed. Cir. 1991) *W. L. Gore & Associates, Inc. v. Garlock, Inc.*, 721 F.2d 1540, 220 USPQ 303 (Fed. Cir. 1983).

**The Examiner's misunderstanding**

Claim language, of course, must be interpreted through the viewing glass of one having ordinary skill in the art. *Tegal Corp. v. Tokyo Electron Am., Inc.*, 257 F.3d 1331, 1342, 59 USPQ2d 1385, 1393 (Fed. Cir. 2001); *Teleflex Inc. v. Ficosa North America Corp.*, 299 F.3d 1313, 1325, 63 USPQ2d 1374, 1380 (Fed. Cir. 2002). One having ordinary skill in the art would have understood that "house advantage", as employed in the disclosed and claimed inventions, is a theoretical mean value. The volatility of the machine is the distribution (or scatter) about a house advantage. Indeed, the observed advantage differs from the house advantage due a slot's statistical "volatility", which goes to zero as the number of trials goes to infinity. For a finite number of trials, volatility is useful for predicting a machine's performance relative to the theoretical. The conventional slot game has but **one** house advantage over all play of the game. However, the predetermined range of the claimed invention is not **one** house advantage and an associated volatility, but instead is a range of house advantages bounded by a predetermined **minimum** house advantage to a predetermined **maximum** house advantage. That is, there are two house advantages that bound the predetermined range. The Examiner may be confused.

That the Examiner may have confused the "house advantage" of the claimed invention within a predetermined range is suggested by the Examiner's citation of new references at this point in the prosecution, notably Martinez and Kilby. The Examiner now invites the Board to read newly cited but unapplied references while continuing to assert that house advantages are known in the abstract. The Examiner's own new references not only support the patentability of the claims, but show that the Examiner

has not interpreted the claimed invention from the viewpoint of one having ordinary skill in the art.

The new publication (Martinez) "The Concept of House Advantage" recognizes: "casinos aren't in the nonprofit category of business and will not survive without strict attention to the house-advantage concept." Id @ 43. This article also recognizes that slot machines have a **set** house advantage based on randomness which is usually 10%. Id@42. In other words, one fixed value.

The Examiner also provides Kilby, "Casino Operations Management." On pages 114-115, Kilby sets forth a statistical breakdown for an IGT slot game. When a slot is played forever, a single fixed house advantage is provided. Until the casino game is played forever, the casino games' actual advantage has volatility about the house advantage:

Although each machine has a fixed casino advantage, the actual hold can vary drastically from the theoretical advantage. Id.@pg. 117.

Hence, for the above IGT game, **the fixed** player return is 85.495% **over all time**. At 1,000 handle pulls the slot volatility of the IGT game is 54.11% to 116.88% for the player return. After 10,000,000 handle pulls the player return is between 85.18% and 85.81% with a 90% confidence. This is a statistical breakdown based on randomness. Id. In each case, the distribution or scatter is centered on the theoretical house advantage (i.e.,  $(54.11\% + 116.88\%)/2 = (85.18\% + 85.81\%)/2 = 85.495\%$ ). As the number of trials increases, the volatility squeezes down, causing the actual advantage to coincide with the house advantage.

In the claimed invention, however, there are **two fixed house advantages** at opposite ends of the predetermined range when played forever. One is fixed for a perfect knowledge player playing forever; and the second is fixed for a player who guesses playing forever. Each of these house advantages, in principle, has an associated volatility. The claimed inventions cover and the written description of the specification enables a sophisticated novel type of casino game that provides a predetermined range for house advantage that can, in principle based on design choice, also be statistically modeled (as Kilby did for the IGT game) providing the slot volatility at 1,000 handle pulls, at 10,000 handle pulls, etc. At 10,000,000 handle pulls, the house advantage for a theoretical player who guesses over all time would be very close (e.g., within a % point) of a fixed (or set) value at one end of the predetermined range and the house advantage for a theoretical perfect knowledge player who answers correctly over all time would be very close (e.g., within a % point) of a fixed (or set) value at the other end of the predetermined range. Perhaps, the Examiner has yet to grasp the significance of the claim limitation establishing a house advantage within a predetermined range.

**There is no Inherency**

The Examiner's invocation of the doctrine of inherency is erroneous because:

(1) the applied references are silent as to a house advantage to begin with, let alone a house advantage within predetermined range, much less for a combined knowledge-based game and game of chance;

(2) the Examiner's relied upon conventional casino house advantages has nothing to do with a house advantage within a predetermined range for a knowledge-based game let alone a combined knowledge-based bonus game and game of chance; and

(3) the Examiner's assumption that the particular games disclosed by Keller and Evans are, in fact, profitable casino games constitutes clear legal error.

The Examiner has not **factually** established that knowledge-based games have been profitably incorporated into casino slot machines. The applied references do not enable commercial viability of a casino game with a knowledge-based game because of the problem of a perfect knowledge player. Indeed, if house advantages to protect casinos are universally applicable to all games, as the Examiner thinks, **why** are certain blackjack players evicted from casinos?

### **Conclusion**

The previously argued lack of facts undermine the factual determination that Keller or Evans discloses a method identically corresponding to that claimed. *Minnesota Mining & Manufacturing Co. v. Johnson & Johnson Orthopaedics Inc.*, 976 F.2d 1559, 24 USPQ2d 1321 (Fed. Cir. 1992); *Kloster Speedsteel AB v. Crucible Inc.*, 793 F.2d 1565, 230 USPQ 81 (Fed. Cir. 1986). Appellant, therefore, submits that the imposed rejection under 35 U.S.C. §102 is clearly factually erroneous.

### **4. The rejection under 35 U.S.C. §103**



Appellant relies upon the arguments previously advanced in the February 24, 2003 Appeal Brief. In addition, as to claims 8 and 10, Appellant would stress that Thompson does not cure the argued deficiencies of Keller or Evans, as these claims dependent from independent claim 1. The notion of a **house advantage** based upon the **combined** knowledge-based bonus game and underlying game of chance within a **predetermined range** is not found in Keller, Evans or in Thompson, or anywhere else. Accordingly, even if the applied references are combined, **none** of the claimed inventions would result. *Uniroyal, Inc. v. Rudkin-Wiley Corp.*, 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988).

Appellant further submits the Examiner failed to establish the requisite realistic motivation for impressing the teachings of Thompson, who is directed to a household game with no wager or house advantage, into the game disclosed by Keller or Evans. *In re Lee*, 237 F.3d 1338, 61 USPQ2d 1430 (Fed. Cir. 2002). Appellant notes the Examiner does **not** dispute the fact that if Keller's game is modified by providing a timer, no tokens would be paid out and Keller's game would be rendered **inoperative**. *In re Fritch*, 972 F.2d 1260, 23 USPQ2d 1780 (Fed. Cir. 1992); *In re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984); *In re Schulpen*, 390 F.2d 1009, 157 USPQ 52 (CCPA 1968).

### **Evidence of Nonobvious**

The Examiner does not dispute the legal tenet that the problem addressed and solved by a claimed invention merits consideration anent the nonobviousness issue. *North American Vaccine, Inc. v. American Cyanamid Co.*, 7 F.3d 1571, 28 USPQ2d 1333 (Fed. Cir. 1993); *In re Nomiya*, 509 F.2d 566, 184 USPQ 607 (CCPA 1975). The Examiner

conveniently ducks the issue by stating that no problem exists and appears to consider himself more knowledgeable than Appellant.

The record is burdened by the byproduct of the Examiner's complete failure to look at the claim limitation requiring a house percentage within the predetermined range vis-à-vis fixed house odds for game of chance. As pointed out on pages 2 and 3 of the February 24, 2003 Appeal Brief, the present invention addresses and solves two formidable problems, i.e., preventing a perfect knowledge player from bankrupting the house while offering an incentive for a player who always guesses. Thus, a predetermined range is formulated to address these competing considerations. Where a casino would eject a perfect knowledge player and discourage the guessing player the present invention accommodates both.

The Examiner want facts to establish such problems. The Examiner, however, while professing super knowledge seems to shut down when it comes to problems which need no proof but are manifest from the very nature of the attempt to combine a knowledge-based bonus game with an underlying game of chance. At any rate, Appellant refers to paragraphs 5 through 7 of the Vancura Declaration, paragraphs 2 and 3 of the Grochowski Declaration and paragraph 2 of the Gushin Declaration for facts.

The Examiner downplays the Vancura (Appellant) Declaration as mere opinions while citing Appellant's book and acknowledging that Appellant "is well recognized and respected for its expertise in the gaming industry" (second full paragraph on page 19 of the Answer). Having recognized Appellant's expertise the Examiner can not properly assert that the statements made by Appellant "are void (sic, devoid) of fact and avoid acknowledging the level of ordinary skill in the art" (second paragraph on page 19 of the

Answer). *In re Oelrich*, 579 F.2d 86, 198 USPQ 210 (CCPA 1978); *In re Meng*, 492 F.2d 843, 181 USPQ 94 (CCPA 1974).

At any rate, as to all of the evidence argued by Appellant, nothing can be ignored, as the Examiner has done, since the proffered evidence clearly relates to the nonobviousness of the claimed invention as a whole. It is well settled that all evidence impacting nonobviousness must be given consideration. *Ruiz v. A.B. Chance Co.*, 234 F.3d 654, 57 USPQ2d 1161 (Fed. Cir. 2000); *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573, 42 USPQ2d 1378 (Fed. Cir. 1997); *Stratoflex Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 218 USPQ 871 (Fed. Cir. 1983).

Appellant would further argue as an indicium of **nonobviousness** the long-felt need and failure of others to find a solution to the problem of the perfect knowledge player. Such unsuccessful prior art suggestions involve attempting to have machines communicate with each other (Walker) or paying casino personnel to monitor players and to evict perfect knowledge players, as in blackjack and as suggested by Scarne. These unsuccessful attempts to solve the perfect knowledge player problem underscore the elegant sophistication of the present invention which is a self-contained machine that conforms to U.S. regulations requiring random events and encouraging players with limited knowledge while protecting the house against a perfect knowledge player.

*Ecolochem Inc. v. Southern California Edison, Co.* 227 F.3d 1361, 56 USPQ2d 1065 (Fed. Cir. 2000); *Uniroyal, Inc. v. Rudkin-Wiley Corp.*, 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988).

### **Conclusion**

Based upon the arguments submitted in the February 24, 2003 Appeal Brief and herein, Appellant submits that one having ordinary skill in the art would not have found the claimed invention as a whole obvious within the meaning of 35 U.S.C. §103.

Appellant, therefore, submits the Examiner's rejection under 35 U.S.C. §103 is factually and legally erroneous.

**4. The newly imposed rejections of claims 1, 3, 8 through 10, 18, 19, 24, 25 and 30 under 35 U.S.C. §102 for lack of novelty as evidenced by Walker, and of claims 1, 3, 8 through 10, 18, 19, 24, 25 and 30 under 35 U.S.C. §102 for lack of novelty as evidenced by 2, 262,642.**

Appellant cries foul. These rejections do not appear in the final Office Action dated June 24, 2002. There is only one rejection identified under 35 U.S.C. §102. That rejection is of claims 1, 3 and 18 under 35 U.S.C. §102 for lack of novelty as evidenced by Keller and Evans. That rejection was traversed and argued in the February 24, 2003 Appeal Brief. The Examiner now tries to sneak in rejections appearing in the first Office Action but never maintained. This is improper.

At any rate, for completion, Appellant submits that the Examiner failed to identify wherein either Walker or GB 2,262,642 (Glayscale et al.) disclose or suggest playing a casino game comprising an underlying game of chance and a knowledge-based bonus game wherein the combined games have a house advantage within a predetermined range as claimed. *In re Rijckaert, supra; Lindemann Maschinenfabrik GMBH v. American Hoist & Derrick Co., 730 F.2d 1452, 221 USPQ 481 (Fed. Cir. 1984).* There is no

inherency because the Examiner has not factually established that the mere existence of profitable casino house odds carries with it a house advantage for a combined knowledge-based game and game of chance within a predetermined range. *Crown Operations International Ltd. v. Solutia Inc.*, 289 F.3d 1367, 62 USPQ2d 1917 (Fed. Cir. 2002); *Finnegan Corp. v. ITC*, 180 F.3d 1354, 51 USPQ2d 1001 (Fed. Cir. 1999); *In re Robertson*, 169 F.3d 743, 49 USPQ2d 1949 (Fed. Cir. 1999).

The bottom line on Walker is that it is silent as to a house advantage. Referring to a book on slots is a mere invitation to tinker. Even if it is given that one having ordinary skill in the art would have been able to calculate a house advantage to implement in Walker for a player who chooses to guess at all answers, the players must be categorized which Walker does not do. In order calculate a house advantage for Walker, one having ordinary skill in the art would have to know if/when the player opted to answer the questions, i.e., a no-knowledge player who guesses at every question will have a house advantage different from that of a no-knowledge player who guesses at every second question and opts out of the others which, in turn, will be different from a no-knowledge player who guesses at every tenth questions and opts out for the others, and so but Walker is silent on such factors- conspicuously mute on limiting player cases as well as their mathematical consequences.

It should, therefore, be apparent that Walker generates two problems but offers no solution thereto, while the present invention does. The first problem generated by Walker is that there is no incentivization for the "no-knowledge" or "limited knowledge" player to actually play the trivial game at all. This is because a player who is wrong is penalized in Walker with a net loss of credits vis-à-vis a player who chooses not to answer at all. In other words, in Walker players in the know will answer the questions while players not in

the know will abstain leading to a problematic situation which happens to be addressed and solved by the claimed invention. As previously pointed out, the present invention addresses and solves the problem of accommodating a limited knowledge player by always rewarding the player whether right or wrong, thereby encouraging play from all levels of knowledge while at the same time preventing the house against a perfect knowledge player.

The other major problem generated by Walker concerns the knowledgeable player. Walker attempts to address this problem by having the same question not come up at similar times on nearby machines. This solution is completely impractical as each machine is independent and does not know what is happening at nearby machines. This is a clumsy, sub-par attempt at dealing with knowledgeable players, unlike the solution provided by the present invention.

As a point of patentable contrast with the present invention, even though a player having perfect knowledge plays the claimed casino game forever, the combined house advantage is set at one end of the predetermined range thereby assuring a profitable house advantage for the casino. The perfect knowledge player is encouraged to play and the casino profits.

Based upon the above analysis, Walker's fruitless attempt to address the problem of the perfect knowledge player--a failure. *Ecolochem Inc. v. Southern California Edison, Co.* 227 F.3d 1361, 56 USPQ2d 1065 (Fed. Cir. 2000); *Uniroyal, Inc. v. Rudkin-Wiley Corp.*, 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988).

Appellant, therefore, submits that the imposed rejections under 35 U.S.C. §102 predicated upon Walker and Glaypole et al., which the Examiner now tries to sneak into this Appeal, are factually erroneous.

**The appealed claims do not stand or fall together.**

Appellant confirms that the appealed claims do not stand or fall together as a group as set forth in the February 24, 2003 Appeal Brief. Appellant notes the Examiner's disinclination to separately address the patentability of the argued claims.

**Summary**

Based upon the arguments submitted in the February 24, 2003 Appeal Brief and for the reasons expressed herein, Appellant submits that each of the Examiner's rejections is clearly factual and legally erroneous. Appellant, therefore, solicits the Honorable Board to reverse each of the Examiner's rejections.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

Serial No. 09/875,753

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